

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

Montana-Dakota Utilities Co.
2022 Electric Rate Increase
Application

Case No. PU-22-194

ORDER ON INTERIM RATES

July 14, 2022

Preliminary Statement

On May 16, 2022, Montana-Dakota Utilities Co. (MDU), filed with the Commission an increase in rates for electric service.

On May 16, 2022, MDU also filed an interim rate increase for electric service.

On June 30, 2022, MDU filed revised interim electric rates resulting from discussions with Commission Advocacy Staff.

On July 1, 2022, Commission Advocacy Staff filed comments regarding MDU's proposed interim rate increase.

Discussion

MDU's June 30, 2022, filing set forth a rate increase based on revenue requirements for a projected 2023 test year. The rate change would result in an increase in annual revenue for the 2023 test year of \$10,922,625, or an 8.909% increase in annual revenue.

A company filing for a rate increase is entitled to an interim rate increase under North Dakota Century Code section 49-05-06(2). The interim rate increase must meet certain criteria including: the same rate of return on common equity authorized by the Commission in the public utility's most recent rate proceeding; rate base and expense items the same in nature and kind allowed by the Commission in its most recent rate proceeding and no change in the existing rate design.

MDU's June 30, 2022, revised interim rate filing is an increase in annual revenue of \$10,922,625, subject to refund, to be effective July 15, 2022.

Advocacy Staff states that MDU's interim increase complies with North Dakota Century Code section 49-05-06(2) and should be approved for service rendered on or after July 15, 2022.

The Commission finds that MDU's interim increase complies with North Dakota Century Code section 49-05-06(2).

In the event the interim rate amounts collected by MDU are more than final rates approved by the Commission, MDU is required to refund the excess under North Dakota Century Code section 49-05-06(4), including interest at a rate to be determined by the Commission.

Order

The Commission orders:

1. The request of Montana-Dakota Utilities Co., for revised interim rates to increase annual revenue collections by \$10,922,625 as filed on June 30, 2022, is approved.
2. Interim rates are effective for service rendered on or after July 15, 2022.

PUBLIC SERVICE COMMISSION


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Commissioner


Julie Fedorchak
Chair


Sheri Haugen-Hoffart
Commissioner